

DOE reviewing 2 bids to treat tank wastes

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Two partnerships made of 15 national and international firms have offered bids to treat 14 million gallons of radioactive and chemical wastes now stored in Hanford's 177 underground tanks.

The three-member board of Jerry Bellows, Ron Cone and Lelf Erickson will review those proposals to see if they meet Department of Energy requirements. Contracts to one or both consortiums are expected to be awarded in late August.

Proposals came from:

■ BNFL Inc. Team members include Bechtel National Inc., GTS Duratek and Sciences Applications International Corp.

■ Lockheed Martin Advance Environmental Systems. Team members are M4 Environmental Management Inc., Fluor Daniel Inc., NumaLee, Duke Engineering and Services Inc., Babcock and Wilcox, Nukem Nuclear Technologies Corp., Molten Metals Technologists Inc., Los Alamos Technical Associates Inc., AEA Technology, and OIRM Remediation Services Corp.

DOE officials initially intended to pick best designs from one to three bidders for in-depth design work, then pick the best two proposals in February 1998.

Does having only two proposals weaken

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—Jerry Bellows,
DOE evaluation board chairman

DOE's chances of finding outside contractors to clean up Hanford's most dangerous wastes?

"Absolutely not," said Bellows, evaluation board chairman. "We have two very strong teams and they bring experience leading us to believe that turning to this nation's industry to solve this problem is the right way to go," he added.

The idea behind the so-called privatizing of Hanford's tank farm cleanup is for private firms to design, build and pay up-front construction and operating costs without federal money. The government doesn't pay until a contractor delivers treated waste that meets DOE specifications.

By privatizing, DOE hopes to save 30 percent of the estimated \$40 billion it would cost the government to build and operate plants that will turn the liquid wastes into glass logs.

The team, or teams winning a contract in August will be given 20 months to finish paperwork that would precede construction of two demonstration plants for treating low-level

radioactive wastes. DOE has agreed at the end of those months to pay each consortium up to \$19 million for low-level proposals and up to \$27 million for a combination of treatment proposals for low- and high-level wastes.

Glassification is supposed to be perfected in this phase as 37,400 tons of liquid wastes are converted into glass logs by 2007. That would account for about 13 percent of the 55 million gallons of radioactive wastes in Hanford's tanks.

As the first phase winds down, DOE plans to seek bids for two bigger plants for low-level wastes and a third plant to treat high-level wastes and operate through 2020.

A unique aspect of this venture is DOE's Richland manager John Wagener, not officials at DOE headquarters in Washington, D.C., will make decisions on selecting bidders, picking designs and supervising the projects.

"The privatized contracting approach embodied in this procurement represents a fundamental change in our contracting strate-

gy," said Jackson Kinzer, DOE's assistant manager for the tank wastes.

"This represents the department's largest procurement privatization effort to date," DOE Undersecretary Tom Grumbly said Monday. "It should provide long-term business opportunities for the private sector and facilitate site cleanup in a more timely and cost-effective manner."

Bidders for the work had to submit proposals to treat low-level wastes, which make up the majority of the total volume of radioactive liquids at Hanford.

However, those same firms could also submit separate bids that would include treatment of high-level wastes.

In fact, it's likely the bids for treating low-level wastes include some discussion of how each team would deal with the high-level liquids, Bellows said. He could not say for certain because the bids haven't been evaluated.

"This is a very bold step," Bellows said Monday. "It's very exciting ... but because this has never been done before, there is an element of the unknown."

"We have divided this project into chunks and into logical steps ... If we determine that this is not in the best interest of the government, we wouldn't award a contract. But we don't expect that to happen. Our expectation is to make this work," he added.

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